

# Advancing U.S. Foreign Policy

# Benefiting U.S. Workers, Business & Taxpayers

## PRIDRITY AREAS

### ANTI-CORRUPTION

The Anti-Bribery Convention commits its 38 signatories to pass, implement and enforce laws similar to the U.S. Foreign Corrupt Practices Act. Following a commitment made by the 2009 G20 Summit in Pittsburgh, the UK, Russia and China all passed new laws. Russia and Colombia joined the OECD Working Group on Bribery which monitors enforcement. New OECD Multi-National Enterprise Guidelines utilize a multi-stakeholder approach to corporate responsibility. At the OECD, the U.S. promotes public procurement guidelines, integrity reviews, and open government to combat corruption. The OECD also launched the Global Forum on Transparency to eliminate tax havens.

#### **GENDER**

The U.S. initiated Gender Initiative finds ways to increase women's economic opportunity through Education, Employment and Entrepreneurship. The U.S. is working with the business community to ensure employer involvement in the Initiative. A Middle East North Africa Women's Business Forum works with women and business leaders in the region on some of the toughest women's economic empowerment issues.

### **GLOBAL REACH**

The United States helped expand OECD membership to include Israel and Chile. Russia is now working to join the OECD, leading to negotiations and reforms on open investment, export- credit and other disciplines. The new OECD Vision includes a commitment to expand OECD ties with major emerging economic powers China, Brazil, India, Indonesia and South Africa.

#### DEVELOPMENT

The ground-breaking OECD Strategy on Development, initiated by Secretary Clinton at the 2011 Ministerial and to be launched in 2012 will revolutionize the way the OECD contributes to global development. The OECD's Development Assistance Committee was central to the success of the Busan High-Level Forum on Aid Effectiveness.



Secretary Clinton Chairing the 50th Anniversary OECD Ministerial Meeting in May 2011

#### **JOBS**

The US supported the OECD's Innovation Strategy which encourages countries to follow the U.S. model of funding education, science and research rather than protectionism or subsidizing national champions to create jobs. The U.S. benefits from the OECD's work on education. U.S. Education Secretary Duncan hosted the release of the 2009 K-12 PISA results in Washington calling them "a wakeup call." A new U.S.-initiated OECD Recommendation lays out principles for ensuring the Internet can continue to be a platform for innovation and creativity.

#### NEW VISION FOR THE DECD

The U.S. chaired the 50<sup>th</sup> Anniversary Ministerial Meeting in 2011. Key deliverables included a new OECD Vision, a new Development Framework, the launch of the Gender Initiative, Russia joining the Working Group on Bribery and the signing of the revised Multi-National Enterprise Guidelines. Among other reform efforts, the U.S. succeeded in increasing transparency of the organization and in funding its major long-term liability.

## REGIONAL & SECTOR SUCCESSES

#### MID-WEST ECONOMIC DEVELOPMENT

The OECD Territorial Review of the Tri-State Chicago Metropolitan Region is a collaboration with numerous stake-holders from the region led by the Chicagoland Chamber of Commerce to develop a new vision for increasing competitiveness and growing high-quality sustainable jobs.

#### FLORIDA & CALIFORNIA

United States efforts prevented European Commission from excluding Florida and California grapefruit from European markets. Exports of Florida grapefruit to the European Union in 2009/10 totaled nearly \$47.7 million annually.

#### **AIRCRAFT**

The U.S. is negotiating for modifications of export credit rules to maintain a level-playing field for U.S. aircraft.

#### **CHEMICALS**

The OECD chemicals program creates testing standards that save taxpayers & companies over \$50 million annually.

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**United State Trade** Representative Ron Kirk at the 50th Anniversary OECD **Ministerial** 

"Our joint efforts have enabled the OECD to provide a steady hand guided by best practices, standards for effectiveness and accountability, critical research and unparalleled analysis to promote economic growth, employment, investment and trade. support sustainable development, and improve the functioning of markets over the past 50 years."

-Secretary Clinton



Ambassador Kornbluh at the **APEC Women in the Economy** Summit

# Advancing U.S. Foreign Policy

## Quadrennial Diplomacy and Development Review

The U.S. Mission is putting into practice the QDDR pillars of Adapting to the Diplomatic Landscape of the 21st Century and Elevating and Transforming Development to Deliver Results. We interact daily with 33 of our closest allies as well as the business community, labor groups and civil society to deepen ties, level playing fields and to engage emerging economies. At the Ministerial Council Meeting in 2011, Secretary Clinton unveiled a new Development Strategy which works to build a stable, inclusive global economy with new sources of prosperity.

### G-20

The DECD works closely with the G2D, carrying out tasks mandated by the members. Contributions to the G2D are frequently carried out collaboratively with other international organizations, such as the IMF, World Bank, FAO and the ILD. The OECD has worked with the G2O on growth & jobs, the financial crisis, taxation, anti-corruption, food security, fossil fuel subsidies and development.

## **Domestic Finance for Development**

OECD efforts support and promote the DF4D initiative to enable developing countries to self-finance more of their own needs through "domestic revenue mobilization," improving fiscal/budgeting transparency, and fighting corruption. The U.S. Mission continues to work to integrate OECD with the DF4D initiative. Currently the OECD's tax center is working with Latin America and Africa. The new Development Strategy also aims to make this work a cross-sectoral priority throughout the OECD.

## Open Government Partnership

The OECD is working, as a part of the OGP, to promote transparency, fight corruption, empower citizens, and harness the power of new technologies to make government more effective and accountable. The OECD has presented research on public sector innovation aimed at increasing public scrutiny and increasing civil society participation in the delivery of public services. The OECD continues to work on transparency indicators which could form the knowledge partnership with the OGP. The United States and the OECD are working to ensure OECD research is aligned with OGP country plans and commitments.

# Competitive Neutrality

The United States is leading groundbreaking work to achieve competitive neutrality so that State-Owned Enterprises do not compete unfairly with U.S. companies. The United States is working with the OECD to develop a Competitive Neutrality Framework - guidelines that would address the issues posed by "state capitalism." If widely implemented, these efforts would help level the playing field in sectors in which private companies, stateowned enterprises, and state-supported enterprises compete.

#### Internet Freedom

Senior government officials and stakeholders meeting at the OECD last June took a major step toward goals set out in President Obama's U.S. International Strategy for Cyberspace and Secretary of State Hillary Rodham Clinton's Internet freedom agenda by committing to a set of Internet policymaking principles. The OECD later adopted these as a formal recommendation making progress on Secretary of State Clinton's call for the global community to "join us in the bet we have made, a bet that an open Internet will lead to stronger, more prosperous countries." They address the need to protect intellectual property, privacy, children and law enforcement.

# **Budget Reform**

The U.S. share of OECD funding will decrease from 24.9% to under 20% by 2018 thanks to hard fought budget reform. This is a savings of approximately \$10 million annual, but only if the United States remains current with contributions. The U.S. also succeeded in reforming the Expatriation Allowance for OECD employees which freed up funding for the future of the long term health care liability.